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BACKGROUND ON U.S. AGRICULTURE



Background on

U.S. AGRICULTURE

American agriculture has advanced more in the past 50 years than in all the prior years of our history. Modern farming and ranching, combined with a progressive system of marketing, processing, and merchandising, provide:

- Abundant, wholesome food when, where, and how we want it.
- Farm products with new qualities for home and industry.

The foundation for continuing agricultural progress, which reaches from farm to market to home or industry, is research and the hard work and ingenuity of farmers and ranchers.

Research by Government and industry is constantly improving plants and animals, providing better management of soil and water, finding new uses for farm products, and devising new and better methods of marketing, transporting, storing, and merchandising farm products. Educational services quickly carry the new knowledge to farmers and others who put it to use.

What Is Modern Farming?

The Nation's Biggest Industry

Farming employs 5 million workers—more than the combined employment in transportation, public utilities, the steel industry, and the automobile industry.

Agriculture's assets total \$281 billion, equal to:

About two-thirds of the value of capital assets of all corporations in the United States, or

About half the market value of all corporation stocks on the New York Stock Exchange.

The value of agriculture's production assets represents over \$41,300 for each farm employee.

3 Million Producers

This biggest of the Nation's industries is composed of 3 million independent producers. In 1967:

1,347,000 farms (43 percent of all farms) sold less than \$2,500 worth of farm products.

360,000 (11 percent) sold farm products worth \$2,500 to \$4,999.

446,000 (14 percent) sold farm products worth \$5,000 to \$9,999.

993,000 (32 percent) sold farm products worth more than \$10,000.

About 183,000 farms in 1967 had sales of farm products totaling more than \$40,000.

A Good Customer

The farmer spends nearly \$36 billion a year for goods and services to produce crops and livestock; another \$12 billion a year for the same things that city people buy—food, clothing, drugs, furniture, appliances, and other products and services.

Each year the farmer's purchases include:

\$4.8 billion in new farm tractors and other motor vehicles, machinery, and equipment. It takes 113,000 employees to produce this farm equipment.

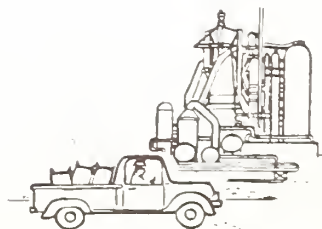
\$3.7 billion for fuel, lubricants and maintenance of machinery and motor vehicles. Farming uses more petroleum than any other single industry.

\$7.2 billion for feed and seed.

\$2.2 billion for fertilizer and lime; and farmers use more each year.

Products containing 360 million pounds of rubber—about 7 percent of the total used in the United States, or enough to put tires on nearly 7 $\frac{1}{2}$ million automobiles.

32 billion kw.-hrs. of electricity—or about 21 $\frac{1}{2}$ percent of the Nation's total, or more than is needed annually by Baltimore, Chicago, Boston, Detroit, and Washington, D.C.



6½ million tons of steel in the form of farm machinery, trucks, cars, fencing, and building materials. Farm use of steel accounts for 40,000 jobs in the steel industry.

A Creator of Employment

Three out of every 10 jobs in private employment are related to agriculture.

Six million people have jobs providing the supplies farmers use for production and family living.

Eight to 10 million people have jobs storing, transporting, processing, and merchandising the products of agriculture.

Here are a few examples from the 1966 Survey of Manufacturers:

Meat and poultry, including meatpacking, prepared meats, and poultry dressing plants—297,516 employees and a payroll of nearly \$1.8 billion.

Dairy, including fluid milk, concentrated and dried milk, natural cheese, creamery butter, ice cream, and special dairy products—238,868 employees and a payroll of more than \$1.4 billion.

Baking, including bread and related products and biscuits and crackers—274,394 employees and a payroll of more than \$1.7 billion.

Fruits and vegetables, canned, frozen, and processed as pickles and sauces—184,324 employees and a payroll of \$801 million.

Cotton broadwoven fabrics industry—208,629 employees and a payroll of \$960 million.

An Efficient, Progressive Industry

One hour of farm labor produces nearly seven times as much food and other crops as it did in 1919–21. Crop production per acre and output per breeding animal have almost doubled.

Production per man-hour of American farm labor increased an average of 8.3 percent per year in the 1960's.

Output per man-hour in nonagricultural industry increased by 3.1 percent a year.

One farmworker produces food, fiber, and other farm commodities for himself and 41 others.

A Taxpayer

In 1967:

Farm real estate taxes totaled \$1.9 billion.

Tax on personal property on farms was one-third of a billion dollars.

Federal and State income taxes paid by the farm population amounted to about \$1.5 billion.

Sales taxes totaled more than \$300 million.



Food Supplier to the World

The United States is the world's largest exporter of agricultural products.

One out of every four harvested acres produces for export. Land producing for export represents about the same acreage of cropland as that harvested in Texas, Iowa, Kansas, and Illinois.

\$6.3 billion in farm products were exported in 1968. During the year, the value of our farm exports since World War II passed the \$100 billion mark.

Abundance Works for Peace

American agricultural abundance and technical knowledge are powerful forces for world peace. Our food and other farm products are helping to relieve hunger and to promote economic growth in the newly developing countries of the world.

We accept foreign currencies from countries that need our farm products but are short of dollar exchange—provided they adopt self-help programs to develop their own economies. We also barter or trade our agricultural products for goods and services needed abroad by the Agency for International Development and defense.



Farming Is Food

Each of us in 1967 consumed these and other products of farm and ranch:

177 pounds of beef, veal, pork, lamb, and mutton.

46 pounds of chicken and turkey.

191 pounds of fruits (fresh fruit equivalent).

247 pounds of vegetables (fresh vegetable equivalent).

582 pounds of dairy products (whole milk equivalent).

115 pounds of potatoes and 6 pounds of sweet-potatoes (fresh equivalent).

We can choose from as many as 6,000 different foods when we go to market—fresh, canned, frozen, concentrated, dehydrated, ready-mixed, ready-to-serve, or in heat-and-serve form.

Clothing

In 1967, we used:

4.7 billion pounds of cotton, or over 23 pounds per person. That's the equivalent of about 24 house dresses, or 36 dress shirts, for every man, woman, and child in the Nation.

425 million pounds of apparel and carpet wool, more than 2 pounds per person.

And research has given these natural fibers new qualities. Specially treated cotton resists everything from wrinkles to fire. Wool can be treated to keep it from shrinking when it is washed.

Shelter

It takes 1 acre of healthy forest 20 years to grow the lumber for a five-room frame house.

Farmers and other small woodland owners control 59 percent of the Nation's commercial forest; three out of four forest owners are farmers.

And Other Products

Paper. About 530 pounds of paper per person is used each year. This requires the net

annual wood growth from about $\frac{3}{4}$ acre of commercial forest.

The day of the "wood-burning rocket" may arrive. Nitrocellulose, derived mainly from wood pulp, is a major ingredient of some solid fuel propellants for rockets.

What Does the Farmer Receive?

For Food

39 cents of each \$1 spent for U.S. farm-grown food.

60 cents of each \$1 spent for choice beef.

2.5 cents for the corn in a 31-cent box of corn-flakes.

2.7 cents for the wheat in a 22-cent loaf of white bread.

About 26 cents from a 53-cent $\frac{1}{2}$ -gallon of milk.

For Clothing

About 22 cents for the cotton in a man's \$4.38 business shirt.

Income From His Labor and Capital

Farm people in 1967 received:

\$43.8 billion in sales of crops and livestock, about \$13,600 per farm; with net income for farm operators of \$14.2 billion from farming, \$4,526 per farm.

\$2,195 of personal income per capita—\$1,203 from farm sources and \$992 from nonfarm sources. "After-tax" income of farm people was \$2,037; of nonfarm people, \$2,784.

\$1.30 an hour income for farmwork. By contrast, 1 hour's work in a factory averaged \$2.83 and hourly earnings in food marketing averaged \$2.51.

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What Do We Spend For Food?

From Our Income

Slightly more than 17 percent of our disposable income went for food in 1967. We spent 24 percent of our disposable income for food in 1930 and 22 percent in 1940. In 1960, food took 20 percent of our take-home pay.

In Terms of an Hour's Work

One hour's work in a factory buys much more food today than it did 30 years ago. Pay for 1 hour's factory labor would buy:

Round steak: 2.6 pounds in 1967; 1.6 pounds in 1937, or

Bacon: 3.4 pounds in 1967; 1.5 pounds in 1937, or

Milk: 9.8 quarts in 1967; 4.9 quarts in 1937; or

Oranges: 3.7 dozen in 1967; 1.6 dozen in 1937.

As Compared With Other Products

Food costs have risen less since 1947-49 than most other consumer items in the cost-of-living index. For all items on the list, the increase in cost to 1968 was 48 percent. For all food, the increase was 41 percent. For rent, it was 58 percent, and for medical care 109 percent.

The farmer received 2 percent less for the farm food "market basket" than he did in 1947-49. The cost of farm-grown food has risen 24 percent, although processing and marketing costs have risen 51 percent.

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